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UNITED STATES DEPARTMENT OF COMMERCE  
BUREAU OF INDUSTRY AND SECURITY  
WASHINGTON, D.C. 20230

In the Matter of:

**Borna Faizy**

a/k/a Brad Faizy  
4405 Newcastle Drive  
Frisco, TX 75034

**Touraj Ghavidel**

a/k/a Brent Dell  
6617 Tamarron Lane  
Plano, TX 75024

**Signal Micro Systems, Inc.**

d/b/a Techonweb  
16837 Addison Road  
Addison, TX 75001

Respondents

ORDER RELATING TO BORNA FAIZY,  
TOURAJ GHAVIDEL, AND SIGNAL MICRO SYSTEMS, INC.

The Bureau of Industry and Security, U.S. Department of Commerce (“BIS”), has notified Borna Faizy a/k/a Brad Faizy, Touraj Ghavidel a/k/a Brent Dell, and Signal Micro Systems, Inc. d/b/a Techonweb (collectively, the “Respondents”) of its intention to initiate an administrative proceeding against Respondents pursuant to Section 766.3 of the Export Administration Regulations (the “Regulations”),<sup>1</sup> and Section 13(c) of the Export Administration Act of 1979, as amended (the “Act”),<sup>2</sup> through the issuance of a

<sup>1</sup> The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2014). The charged violation occurred between 2005 and 2012. The Regulations governing the violation at issue are found in the 2005-2012 versions of the Code of Federal Regulations (15 C.F.R. Parts 730-774). The 2014 Regulations set forth the procedures that apply to this matter.

<sup>2</sup> 50 U.S.C. app. §§ 2401-2420 (2000). Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 C.F.R., 2001

Proposed Charging Letter to Respondents that alleges that each Respondent committed one violation of the Regulations. Specifically, the charge is:

**Charge 1      15 C.F.R. § 764.2(d) – Conspiracy**

Beginning at least in 2008, and continuing through in or about January 2012, Faizy, Ghavidel and Techonweb conspired and acted in concert with others, known and unknown, to bring about an act that constitutes a violation of the Regulations. The purpose of the conspiracy was to bring about the export of computers, items classified as 5A992 on the Commerce Control List and valued at \$1,015,757, by Techonweb from the United States through the United Arab Emirates (“UAE”) to Iran, without the required U.S. Government authorization.<sup>3</sup> Items classified as 5A992 are subject to control for Anti-Terrorism reasons, and, pursuant to Section 742.8 and 746.7(a) of the Regulations, a license was required to export these items to Iran at all times pertinent hereto. The items were also subject to the Iranian Transaction Regulations (“ITR”)<sup>4</sup> administered by the Department of the Treasury’s Office of Foreign Assets Control (“OFAC”). The Regulations also prohibited the export or reexport to Iran, whether directly or transshipped through a third country, of any item subject to both the Regulations and the ITR, if the transaction was not authorized by OFAC.<sup>5</sup> In order to avoid duplication, exporters and reexporters were not required under the Regulations to seek authorization from both BIS and OFAC for exports or reexports subject to both the EAR and the ITR, and accordingly an authorization granted by OFAC was considered authorization for purposes of the EAR as well. However, Faizy, Ghavidel, and Techonweb did not seek or obtain authorization from BIS, or from OFAC, in connection with any of the activities or transactions alleged herein.

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Comp. 783 (2002)), which has been extended by successive Presidential Notices, the most recent being that of August 7, 2014 (79 Fed. Reg. 46959 (Aug. 11, 2014)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. § 1701, *et seq.*) (2006 & Supp. IV 2010).

<sup>3</sup> Pursuant to Section 734.2(b)(6) of the Regulations, the export of an item from the United States to a second country intended for transshipment to a third country is deemed to be an export to that third country.

<sup>4</sup> 31 C.F.R. Part 560 (2008-2012). Subsequent to the violation charged herein, OFAC changed the heading of 31 C.F.R. Part 560 from the Iranian Transactions Regulations to the Iranian Transactions and Sanctions Regulations (“ITSR”), amended the renamed ITSR in part, and reissued them in their entirety. See 77 Fed. Reg. 64,664 (Oct. 22, 2012). 31 C.F.R. Part 560 remains the same in pertinent part.

<sup>5</sup> Pursuant to Section 560.204 of the ITR, an export to a third country intended for transshipment to Iran was a transaction that required OFAC authorization at all times pertinent hereto. See also notes 3 and 4, *supra*.

Specifically, in furtherance of the conspiracy, Faizy, Ghavidel and Techonweb, which was owned by Faizy and Ghavidel and for which Faizy served as President and Director and Ghavidel served as Chief Financial Officer and Director, participated in a scheme to export computers to Iran without the required licenses. In or about 2008, Faizy and Ghavidel attended a computer trade show in Dubai, UAE, to recruit and obtain contact information from potential customers in Iran. After forming the conspiracy, Faizy and Ghavidel then communicated with their co-conspirators through electronic mail, instant messaging and other forms of electronic communication, using fictitious names and coded language to obscure the true identities and locations of the ultimate consignees. Faizy and Ghavidel, through Techonweb, obtained computers from various suppliers in the United States for the purposes of selling and exporting the computers to Iran. Additionally, in furtherance of the conspiracy, from December 2009 through March 2011, Faizy and Ghavidel, through Techonweb, exported 1,038 computers, valued at \$1,015,757, from the United States through the UAE to Iran. Faizy and Ghavidel, through Techonweb, filed or caused to be filed Electronic Export Information falsely stating that the computers were destined for ultimate consignees in Dubai, UAE. As alleged above, Faizy, Ghavidel, and Techonweb did not seek or obtain the required U.S. Government authorization in connection with any of the activities or transactions alleged herein.

WHEREAS, BIS and Respondents have entered into a Settlement Agreement pursuant to Section 766.18(a) of the Regulations, whereby they agreed to settle this matter in accordance with the terms and conditions set forth therein;

WHEREAS, I have approved of the terms of such Settlement Agreement; and

WHEREAS, in doing so, I have taken into consideration the plea agreement that Faizy and Ghavidel have entered into with the U.S. Attorney's Office for the Northern District of Texas;

IT IS THEREFORE ORDERED:

FIRST, that for a period of ten (10) years from the date of this Order, Borna Faizy a/k/a Brad Faizy, with a last known address of 4405 Newcastle Drive, Frisco, TX 75034, and when acting on his behalf, his successors, assigns, employees, agents or representatives, Touraj Ghavidel a/k/a Brent Dell, with a last known address of 6617 Tamarron Lane, Plano, TX 75024, and when acting for or on his behalf, his successors,

assigns, employees, agents or representatives, and Signal Micro Systems, Inc. d/b/a Techonweb, with a last known address of 16837 Addison Road, Addison, TX 75001, and when acting for or on its behalf, its successors, assigns, directors, officers, employees, agents or representatives (each a “Denied Person” and collectively the “Denied Persons”), may not, directly or indirectly, participate in any way in any transaction involving any commodity, software or technology (hereinafter collectively referred to as “item”) exported or to be exported from the United States that is subject to the Regulations, or in any other activity subject to the Regulations, including, but not limited to:

- A. Applying for, obtaining, or using any license, License Exception, or export control document;
- B. Carrying on negotiations concerning, or ordering, buying, receiving, using, selling, delivering, storing, disposing of, forwarding, transporting, financing, or otherwise servicing in any way, any transaction involving any item exported or to be exported from the United States that is subject to the Regulations, or in any other activity subject to the Regulations; or
- C. Benefitting in any way from any transaction involving any item exported or to be exported from the United States that is subject to the Regulations, or in any other activity subject to the Regulations.

SECOND, that no person may, directly or indirectly, do any of the following:

- A. Export or reexport to or on behalf of any of the Denied Persons any item subject to the Regulations;

- B. Take any action that facilitates the acquisition or attempted acquisition by any of the Denied Persons of the ownership, possession, or control of any item subject to the Regulations that has been or will be exported from the United States, including financing or other support activities related to a transaction whereby any of the Denied Persons acquires or attempts to acquire such ownership, possession or control;
- C. Take any action to acquire from or to facilitate the acquisition or attempted acquisition from any of the Denied Persons of any item subject to the Regulations that has been exported from the United States;
- D. Obtain from any of the Denied Persons in the United States any item subject to the Regulations with knowledge or reason to know that the item will be, or is intended to be, exported from the United States; or
- E. Engage in any transaction to service any item subject to the Regulations that has been or will be exported from the United States and which is owned, possessed or controlled by any of the Denied Persons, or service any item, of whatever origin, that is owned, possessed or controlled by any of the Denied Persons if such service involves the use of any item subject to the Regulations that has been or will be exported from the United States. For purposes of this paragraph, servicing means installation, maintenance, repair, modification or testing.

THIRD, that, after notice and opportunity for comment as provided in Section 766.23 of the Regulations, any person, firm, corporation, or business organization related to any of the Denied Persons by affiliation, ownership, control, or position of responsibility in the conduct of trade or related services may also be made subject to the provisions of the Order.

FOURTH, Respondents shall not take any action or make or permit to be made any public statement, directly or indirectly, denying the allegations in the Proposed Charging Letter or the Order. The foregoing does not affect Respondents' testimonial obligations in any proceeding, nor does it affect their right to take legal or factual positions in civil litigation or other civil proceedings in which the U.S. Department of Commerce is not a party.

FIFTH, that the Proposed Charging Letter, the Settlement Agreement, and this Order shall be made available to the public.

SIXTH, that this Order shall be served on Respondents and shall be published in the *Federal Register*.

This Order, which constitutes the final agency action in this matter, is effective immediately.

Issued this 16 th day of October, 2014.

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David W. Mills,  
Assistant Secretary of Commerce  
for Export Enforcement.

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